SCHEDULE NEM

NET ENERGY METERING FOR SOLAR OR WIND TURBINE ELECTRIC GENERATING FACILITIES

Applicability:

Applicable to all end-use Eligible Customer-Generators who execute the applicable Standard Contract-NEM.

An Eligible Customer-Generator is a residential, small commercial, commercial, industrial or agricultural Customer who uses a solar or wind turbine electrical generating facility, or a hybrid system of both, with a capacity of not more than 1,000 kilowatts, that is located on the Customer's premises, is interconnected and operates in parallel with the Utility's transmission and distribution facilities, and is intended primarily to offset part or all of the Customer's own electrical requirements on the premises.

Territory:

Within the service area of the City of Riverside.

Rates:

All rates charged under this schedule will be in accordance with the Eligible Customer-Generator's otherwise applicable tariff (rate schedule) or "OAT", in effect from time to time, on a Net Energy Metering basis. An Eligible Customer–Generator served under this schedule is responsible for all charges in its otherwise applicable tariff including the monthly or annual minimum charge (customer and service charge) and demand charge, when applicable, regardless of the Customer's monthly or annual net generation.

Eligible Customer-Generators under this schedule are exempted from any new or additional charge imposed by Riverside that would increase Customer's charges under Customer's OAT beyond those of other customers in the rate class to which Customer would otherwise be assigned.

Adopted by Board of Public Utilities: November 7, 2003

Approved by City Council: November 25. 2003

Effective Date: December 1, 2003

Schedule NEM – Net Energy Metering For Solar or Wind Turbine Electric Generating Facilities

Special Conditions:

1. Agreement:

In order for this schedule to apply, Customer must sign the Utility's Standard Contract—NEM. The Standard Contract—NEM shall contain additional terms and conditions, including without limitation, indemnification, insurance, and access to Customer's premises and Generating Facilities requirements.

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2. Billing:

- Residential and Small Commercial Rate Customers.
 - (1) The annualized Net Energy Metering calculation shall be made by measuring the difference between the electricity supplied to the Customer and the electricity generated by the Customer and fed back to the grid over a twelve-month period. At the end of each twelve-month period following the date of first interconnection, and at each anniversary date thereafter, the Utility shall determine if the Customer was a net consumer or a net producer of electricity during the twelve-month time period. In the event the electricity supplied by the Utility during the twelve-month period exceeds the electricity generated by the Customer during the same period, the Customer is a net electricity consumer.
 - (2) If the Customer is a net energy consumer, the Utility will bill the Customer for the net energy consumption during the twelve-month period based on Customer's OAT and Customer shall pay for such net energy consumption annually, unless the Customer elects to be billed monthly.
 - (3) The Customer may elect to be billed monthly only upon initiation of service under this Schedule or upon written notice to the Utility no later than thirty-days prior to the end of any twelve-month period coinciding with the anniversary of interconnection. Such change shall only be made by the Utility at the beginning of a new twelve-month period coinciding with the anniversary of interconnection.
- b. Commercial, Industrial or Agricultural Rate Customers:
 - (1) In the event the electricity supplied by the Utility to Customer during the preceding billing period exceeds the electricity generated by Customer during the same period, the Customer is a net electricity consumer.
 - (2) The Utility will bill the Customer for the net energy consumption during such billing period based on Customer's OAT and Customer shall pay for such net energy consumption monthly in accordance with the Customer's monthly billing statement.

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c. All Eligible Customer-Generators:

(1) If the Customer's OAT employs "time of use" rates, any net monthly consumption of electricity shall be calculated according to the terms of the OAT. When the Customer is a net generator during any discrete time of use period, the net kilowatt-hours produced shall be valued at the same price per kilowatt-hour as the Utility would charge for retail kilowatt-hour sales during that same time of use period.

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- (2) If the Customer's OAT employs "baseline" and "over baseline" rates, any net monthly consumption of electricity shall be calculated according to the terms of the OAT. If the Customer is a net generator over a billing period, the net kilowatt-hours generated shall be valued at the same price per kilowatt-hour as the Utility would charge for the baseline quantity of electricity during that billing period, and if the number of kilowatt-hours generated exceeds the baseline quantity, the excess shall be valued at the same price per kilowatt- hour as the Utility would charge for electricity over the baseline quantity during that billing period.
- (3) RPU shall provide all customers with Net Energy Metering consumption information on a monthly basis. Such monthly update shall include the current accrued balance owed to the Utility for Net Energy Metering charges, or current accrued credits for Net Energy Metering generation, whichever applies.
- (4) If the Customer is a net producer of electricity over a normal billing cycle, any excess kilowatt-hours generated during the billing cycle shall be carried over to the following billing period (up to a maximum of twelve consecutive months upon the anniversary of interconnection).
- (5) In the event the energy generated exceeds the energy consumed during the 12-month period, the Utility shall retain any excess energy generated by any Customer. In addition, no payment will be made to any Customer for the excess energy delivered to the Utility's grid, unless the Utility enters into a written purchase agreement with the Customer for that excess energy.
- (6) If any Customer terminates service under this Schedule prior to the end of any twelve-month period, the Utility reconcile the Customer's consumption and production of electricity and shall bill the Customer for Net Energy charges, if any, and adjust the excess energy to zero, if any.

3. **Metering**:

Net Energy Metering shall be accomplished using a Required Meter. The Utility shall own, operate and maintain the Required Meter on the Customer's premises. If the existing meter at Customer's premises is not capable of measuring the flow of electricity in two directions, Customer shall be responsible

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for all costs involved in the Utility's purchase and installation of the Required Meter. If an additional meter or meters are installed, the net metering calculation shall yield a result identical to that of a single meter. The Utility at its expense may purchase and install additional meters with the consent of the Customer to provide the information necessary to accurately credit or bill the Customer or to collect generating system performance information for research purposes.

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4. Definitions:

- a. "Generating Facility" means a solar or wind turbine electrical generating facility, or hybrid system of both, located on the Customer's owned, leased or rented premises, and intended primarily to offset part or all of the Customer's own electrical requirements.
- b. "Net Energy Metering" means measuring the difference between the electricity supplied through the electric grid to the Customer and the electricity generated on the Customer's premises and fed back to the electric grid over a twelve-month period, as described in California Public Utilities Code Section 2787 (h).
- c. "Otherwise Applicable Tariff" (Rate Schedule) or "OAT" means the rate schedule in Utility's published Electric Rules and Rates that would otherwise apply to Eligible Customer-Generator from time to time for electrical services to the premises. Provided that, Eligible Customer-Generator's OAT shall not include this Schedule—NEM or Schedule "S"-Stand-By Service.
- d. "Required Meter" means a single meter capable of registering the flow of electricity in two directions.
- e. "Small Commercial Customer" means a customer that has a maximum peak demand of less than 20 kilowatts, as defined in subdivision (h) of Section 331 of the California Public Utilities Code.
- f. "Standard Contract"—NEM means that standard contract entitled "Net Energy Metering Interconnection Agreement for Solar or Wind Turbine Electric Generating Facilities" available to Eligible Customer Generators, as adopted and approved by the Board of Public Utilities and City Council, and offered in accordance with Public Utilities Code Section 2827.
- 5. State Mandated Public Benefits Charge: The rates in Eligible Customer Generator's OAT are subject to a surcharge as adopted via City Council Resolution No. 19203, and such surcharge as is in effect from time to time. The applicable Public Benefits Charge will be applied to the Customer's total electricity usage charges for the applicable billing period.
- 6. **Power Cost Adjustment Factor ("PCAF"):** The PCAF, as provided in Part C of the General Provisions, shall apply to Customer's net energy consumption and such other charges that Customer's OAT indicates are subject to the PCAF.